

**Minutes of
Special Joint Meeting of the Governing Boards
of Tracy Unified School District and
Lammersville School District
Held on Thursday, April 30, 2009
TUSD District Education Center**

- 7:02 PM:** President Guzman called the meeting to order.
- Roll Call:** TUSD Board: W. Gouveia, T. Guzman, T. Hawkins, K. Lewis, B. Swenson
J. Vaughn (Absent: G. Crandall)
LESD Board: S. Nielson, B. Fobert, C. Cunningham, A. Khanna, J. Hiramoto
LESD Superintendent: D. Hansen
Consultants: J. Bush, J. Kirschenstein
Attorneys: A. Covert, H. Friedman
Shea Homes: G. Gibbs
TUSD Staff: J. Franco, C. Goodall, B. Etcheverry
- Employees Present:** B. Carter, C. Minter
- Visitors Present:** R. Anderson, J. Mudunuri, N. Jimenez, C. Davila, D. Molina, M. Fagg-Rebello,
F. Ye and various students
- Hearing of Delegations:** None.
- Study Session:** **5.1** Work Study Session Regarding Unification of the Lammersville
Elementary School District
- Dr. Franco commented on the history of the unification request. Mr. Hansen also gave a brief report of Lammersville history and background. They currently have 3 elementary schools in the District and are going out to bid on a 4th.
- Jim Bush reviewed the agenda. The intent of this presentation is to recognize what issues are before both Boards. There will be a question and answer session.
- Addison Covert presented a power point which reviewed the process and procedure. The term “reorganization” is the term used in the education code which may include unification and or a boundary change.
- A county committee will be formed to review the reorganization petition. Under the direction of the State Board of Education, the committee will prepare plans and recommendations for the reorganization. There will need to be a plan for students who receive Tracy Unified’s special services that will eventually be moved. Most of these decisions will come from the county committee. Their

plan will be submitted to the State Board of Education.

Mr. Kirschenstein commented that the petition has to show that Lammersville can go forward and can become a K-12 unified school district. It also needs to show that it does not have an adverse effect on the District it's leaving.

There will be a tri-party agreement entered into by Tracy, Lammersville and Shea Homes to start the unification. This agreement will guide the parties through the reorganization process.

There will be an inter district attendance agreement which is different from what parents would use to request that their child attend a different school district than for which they are zoned. This would be a contract between both districts that would govern how high school students would receive high school services in the Tracy high schools during the time that the Lammersville high school was being completed. It is best if this agreement is worked out prior to going to the state.

If Tracy Unified decides not to proceed with unification, Lammersville can still pursue it. They would have to petition for reorganization. It is much better if both Boards try to agree and resolve all of the issues, otherwise an arbitrator will decide it for them.

A break was taken at 7:58 p.m.

The meeting reconvened at 8:02 p.m.

Reviewed technical information – enrollment of districts

With the opening of Kimball High School, TUSD Board wants to be able to still maintain 3 high schools. They were also concerned about whether there would be enough state bonds to fund the project, however Shea Homes stated that they are not looking for any additional bonding.

Mr. Gibbs of Shea Homes commented that he looks forward to working with both districts. The formula for the mitigation would be exactly the same thing as the current agreement. The cost would be approximately \$90-100 million. There is \$10-20 million in land value and \$80 million in costs. Shea will be responsible to deliver a construction ready school site with utilities, roads, curbs and gutters ready to go as improved land.

Shea will generate about \$55-60 million in developer fees. They will receive approximately \$5,000 per unit. They currently have \$13 million in the bank. The shortfall, approximately \$20-25 million, will come from state funding. This will be completed in 3 phases because developer fees won't start coming in for 3-6 years. Phase 1 will be planning. Approx \$3 million will go to TUSD to house the high school students until the Lammersville school is complete. He recommends we move as quickly as possible so you are in line for state funding sooner than

later.

Mr. Gibbs reported that the school may open in 2013 or 2014. The cost would be \$57 million for phase 1 which would be most of the core facilities including an administration building, cafeteria, gym, football field, ball fields, etc.

Phase 2 would be funded primarily through developer fees. The shortfall which could be a few million, would be funded by Shea Homes.

Questions and Concerns:

If LESD doesn't have a theater or field, then an agreement with TUSD will have to cover that.

LESD's preliminary plan on students' costs would have to be recalculated. It does cost more to educate high school students.

It was suggested that LESD have general fund money tagged for start up money.

The following issues will need to be addressed: the current bonds, student housing costs, boundary adjustments, bussing issues and use of facilities in Tracy that LESD will need to use.

Both boards are willing to go on with this process. They will need to get issues concluded, come back with a plan and then ask for action to support, or not, this reorganization.

Trustee Lewis asked about operational costs and if they were just based on ADA. Mr. Kirschenstein commented that we know how many students are there now. We don't have to come up with a budget, but it doesn't hurt to come up with an overview. These are details that need to be addressed by staff. The County would probably hire an analyst to research if LESD can maintain high school costs.

The timeline was then reviewed.

Trustee Swenson questioned the amount of foreclosures in the Lammersville/Mountain House area.

Mr. Gibbs reported that Shea Homes has \$13 million in the bank and he is assuming that the market will get better. If not, they will delay the construction of the school. Shea is obligated to finance the shortfall.

Trustee Lewis wants to maintain a good education for our students, remain fiscally sound, and not be a taxpayer burden.

Trustee Hawkins would like to know if LESD continues to pay high school bonds.

Addison Covert has been in contact with the tax consultant and will get that information. If eliminated, it may be required to be voted on by the voters in Tracy Unified.

Mr. Gibbs is assuming that there will be no bonds needed for the new high school.

Trustee Nielson would like both Boards to direct their staff to gather the necessary information so that the Board Members can review it and discuss it before the next large meeting.

Mr. Hansen and Trustee Nielson would like to have more information given before the next meeting on May 14th so that their Board is prepared prior to the meeting.

Dr. Franco requested that in lieu of having a meeting on 14th or 15th if it could be used as an individual work day to get proposals together. We would use slide 32 as guideline for information needed and then set up a future meeting and share our proposals.

Mr. Hansen would like to keep the meeting on the 14th and schedule a short meeting with both superintendents and business managers prior to that.

Trustee Lewis is concerned about the issue of which District would collect the current bond money.

Trustee Hawkins would like to see a study group that would delineate the type of program that Lammersville will have at its high school.

Jim Bush will put together boundary alternatives. Addison Covert should have the bond issues questions answered sometime next week. Casey Goodall will calculate the cost of housing the students.

Trustee Guzman thanked Lammersville and their staff. There was a lot of good information given tonight.

9:45 PM Adjournment

Clerk

Date